

## **REMARKS/ARGUMENTS**

The Examiner is thanked for the clarity and conciseness of the Office Action and for the citation of the references which have been studied with interest and care.

### **Claim Rejections - 35 U.S.C. § 103**

Claims 1-21 were rejected under 35 U.S.C. 103(a) as being disclosed by Kalin (Walmart Struggles to Get Up to Speed [http://webbusiness.cio.com/archive/12400\\_walmart\\_content.html](http://webbusiness.cio.com/archive/12400_walmart_content.html)).

Kalin discusses a Wal-Mart website that “offers roughly 600,000 products -- about six times the number of products found in a typical Wal-Mart Supercenter.” [Kalin, page 1, lines 24-27.] According to Kalin: “Strategically, Wal-Mart has yet to use its massive brick-and-mortar presence to full online advantage. Offering in-store pickup of items ordered online ‘would be an enormous advantage, seriously one-upping all the dotcom retailers,’ ...” [Kalin, page 2, lines 9-13.]

With regard to the specifics of Wal-Mart’s redesign effort, Kalin discloses:

Hewlett-Packard supplied the Unix-based hardware as well as site architecture experience. Broadvision supplied the content management software. Applied Graphics Technologies built Wal-Mart’s photo processing site, and Quantum Leap built the travel site. Fulfillment arrangements have also been pieced together from several vendors. Some large items are drop-shipped directly from manufacturers; Fingerhut handles fulfillment of some general merchandise, Fuji handles film processing, and Books-A-Million fulfills books orders.

With all those pieces and partners, systems integration and project management were the toughest challenge of the redesign. The photo and travel websites both had to be integrated seamlessly into the general merchandise website, which in turn needed to be integrated with Walmart’s existing back-end systems for fulfillment and credit card authorization. Cambridge wrote C++ components to integrate the site with Wal-Mart’s legacy systems.

[Kalin, page 3, lines 3-21.]

As described by Kalin, the redesigned Wal-Mart website appears to expand the ability of Wal-Mart to distribute products shown on its website by engaging the services of third party vendors. "Fulfillment arrangements have also been pieced together from several vendors. ... [Kalin, page 3, lines 7-12.] The only disclosure in Kalin pertaining to "in-store pickup of items ordered online" is a suggestion that Wal-Mart should offer this.

"The examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness." MPEP 2142. "To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations." MPEP 2142.

"To reach a proper determination under 35 U.S.C. 103, the examiner must step backward in time and into the shoes worn by the hypothetical 'person of ordinary skill in the art' when the invention was unknown and just before it was made. In view of all factual information, the examiner must then make a determination whether the claimed invention 'as a whole' would have been obvious at that time to that person." MPEP 2142.

"The initial burden is on the examiner to provide some suggestion of the desirability of doing what the inventor has done." MPEP 2142. "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).

Throughout the Detailed Action, there are numerous assertions of what was "well known" at the time of Applicant's invention, but no citation of references. Applicant respectfully traverses such assertions and requests that the Examiner cite references in support of any assertions of what was "well known" at the time of Applicant's invention.

"Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known." MPEP 2144.03.

Subsequent to the filing of the subject application, the world has witnessed more than four years of improvements in the area of Internet commerce. It is possible that the

Examiner's recollection of the past is tainted with knowledge of present Internet commerce capabilities. Accordingly, it is respectfully submitted that under the present circumstances no *prima facie* case of obviousness has been established due to a lack of factual support. MPEP 2142.

Claim 1 has been amended to include the limitations of canceled claims 5 and 6. For the Examiner's convenience, amended claim 1 is presented below:

1. (currently amended) A method for distributing purchased goods at retail or wholesale outlet stores, comprising the steps of:

entering into one or more agreements with one or more retail and/or wholesale outlet stores to store and distribute goods that are different from displayed goods at the retail and/or wholesale outlet stores; [[and]]

providing a mechanism for customers to remotely order the goods stored at the one or more retail and/or wholesale outlet stores and receive order confirmation information; and

electronically providing a retail or wholesale outlet store associated with the order confirmation information with a packing list associated with the order confirmation information after the order confirmation information is presented to the retail or wholesale outlet store;

wherein the one or more agreements provide that, upon presentation of the order confirmation information at [[a]] the retail and/or wholesale outlet store associated with the order confirmation information, possession of goods associated with the order confirmation information is transferred to a presenter of the order confirmation information;

wherein the one or more agreements additionally require the retail or wholesale outlet stores to package goods associated with the order confirmation information after the order confirmation information is presented to the retail or wholesale outlet stores.

The method of claim 1 involves a mobilization of activity **after** the order confirmation is presented to the retail or wholesale outlet store, namely: electronically providing the retail or wholesale outlet store with a packing list associated with the order confirmation information; and requiring the retail or wholesale outlet stores to package goods associated with the order confirmation. Also, this method reduces wasteful *ad hoc* movement of goods from distribution centers by requiring storage and distribution, by the retail or wholesale outlet store, of goods that are different from displayed goods at the store. An additional benefit of this method is that display space required by the store is decreased.

With respect to Kalin, the generalized disclosure of offering in-store pickup of items ordered online does not disclose or suggest “entering into one or more agreements with one or more retail and/or wholesale outlet stores to store and distribute goods that are different from displayed goods at the retail and/or wholesale outlet stores”. Kalin’s disclosure of distributed fulfillment arrangements cannot be fairly read as teaching storage and distribution, by the retail or wholesale outlet store, of goods that are different from displayed goods at the store; if anything, it teaches away from Applicant’s claim.

For the reasons above, it is respectfully submitted that claims 1-4 and 7-10 would not have been obvious to one of ordinary skill in the art over the prior art of record.

Claims 11-15 have been canceled.

Claim 16 recites “a processor configured to receive an inventory verification request and information pertaining to a geographic location, to identify one or more retail or wholesale outlet stores that are within a particular distance of the geographic location and that have in stock goods identified in the inventory verification request, and to generate a list of the one or more retail or wholesale outlet stores.”

At pages 9-10 of the Office Action, it was asserted that “it was well known at the time of Applicant’s invention that many processors were in use in US retailing, programmed to receive an inventory verification request and information pertaining to a geographic location, to identify one or more retail or wholesale outlet stores that are within a particular distance of the geographic location and that have in stock goods identified in the inventory verification request, and to generate a list of the one or more retail or wholesale outlet stores.” Applicant respectfully traverses this apparent taking of official notice and demands that the Examiner produce authority for this unsupported statement. MPEP 2144.03.

At page 10 of the Office Action, it was asserted that “it would have been obvious to the ordinary practitioner of the art at the time of Applicant’s invention to use Kalin’s disclosure and well known information to distribute purchased goods at retail or wholesale outlet stores by making use of processors configured to receive an inventory verification request and information pertaining to a geographic location, to identify one or more retail or wholesale outlet stores that are within a particular distance of the geographic location and that have in stock goods identified in the inventory verification request, and to generate a list of the one or more retail or wholesale outlet stores, motivated by the opportunity to use brick-and-mortar presence to full online advantage (Kalin, p.2, ll. 10-11).”

Applicant respectfully traverses this assertion at least for the reason that no *prima facie* case of obviousness has been established due to a lack of factual support. MPEP 2142.

Additionally, Kalin (at page 1, lines 24-26) merely discloses that Wal-Mart's new website offers more products than the number of products found in a typical Wal-Mart Supercenter. As discussed above, the disclosure in Kalin (at page 2, lines 11-13) pertaining to "in-store pickup of items ordered online" is a suggestion that Wal-Mart should offer this. Again this fails to disclose or suggest a processor configured as claimed. Furthermore, Kalin (at page 2, line 43 - page 3, line 21) does not provide any disclosure or suggestion of a processor configured to perform a geographic location-driven inventory verification request, and to generate a list of stores within a particular distance of the geographic location that have the desired goods in stock.

For the reasons above, it is respectfully submitted that claims 16-21 would not have been obvious to one of ordinary skill in the art over the prior art of record.

It is respectfully submitted that none of Applicant's claims would have been obvious to one of ordinary skill in the art over the collective teachings of the cited references. Withdrawal of this rejection is respectfully requested.

#### **CONCLUDING REMARKS**

Applicant submits that the application is in condition for allowance. Concurrence by the Examiner and early passage of the application to issue are respectfully requested.

Respectfully submitted,



---

Peter L. Holmes  
Reg. No. 37,353  
Attorney for Applicant

February 9, 2006

**HENRICKS, SLAVIN & HOLMES LLP**  
840 Apollo Street, Suite 200  
El Segundo, California 90245-4737  
Telephone: (310) 563-1454  
Facsimile: (310) 563-1460